

**AMENDMENTS TO THE CLAIMS**

**This listing of claims will replace all prior versions and listings of claims in the application:**

**LISTING OF CLAIMS:**

1. (Original) A method for facilitating trading, comprising the steps of:
  - a. establishing a standardized form of contract for trading at a price on which a buyer and a seller agree, and having terms requiring the buyer and seller to settle based on a final settlement price; and;
  - b. at least prior to a first reference time, facilitating trading of contracts based on said standardized form of contract through an exchange, a futures exchange, an options exchange, or a futures and options exchange;wherein said final settlement price is determined as follows:
  - i. determining a first level of a specified observable quantity (an “underlying”), at or around said first reference time;
  - ii. determining a second level of said underlying at or around a second reference time, determined in accordance with the contract terms, that is later than said first reference time; and
  - iii. determining, in accordance with contract terms, the final settlement price by reference to both said first level and said second level, said final settlement price determined as something other than a simple average of the two levels.
2. (Currently Amended) The method of claim 1, wherein said final settlement price so determined, for a given said first level, is one of:
  - i. zero, if said second level is less than or equal to a strike level; or
  - ii. ~~substantially~~ proportionally to the excess of said second level over said strike level, if said second level is greater than said strike level;wherein said strike level is ~~substantially~~ said first level subject to a multiplicative and/or additive adjustment, if any.

3. (Currently Amended) The method of claim 1, wherein said final settlement price so determined, for a given said first level, is one of:
  - i. zero, if said second level is less than or equal to a strike level; or
  - ii. ~~substantially~~ proportional to the excess of said strike level over said second level, if said second level is greater than said strike level;wherein said strike level is ~~substantially~~ said first level subject to a multiplicative and/or additive adjustment, if any.
4. (Currently Amended) The method of claim 1, wherein said final settlement price so determined, for a given said first level, is one of:
  - i. ~~substantially~~ proportional to the excess of said second level over a call strike level, if said second level is greater than said call strike level;
  - ii. ~~substantially~~ proportional to the excess of a put strike level over said second level, if said second level is less than said put strike level; or
  - iii. zero, if said second level is both less than said call strike level and greater than said put strike level;wherein said call strike level is ~~substantially~~ said first level subject to a multiplicative and/or additive adjustment, if any, and said put strike level is ~~substantially~~ said first level subject to a multiplicative and/or additive adjustment, if any.
5. (Currently Amended) The method of claim 1, wherein said final settlement price so determined, for a given said first level, is one of:
  - i. zero, if said second level is less than or equal to a strike level; or
  - ii. ~~substantially~~ proportional to the square of the excess of said second level over said strike level, if said second level is greater than said strike level;wherein said strike level is ~~substantially~~ said first level subject to a multiplicative and/or additive adjustment, if any.
6. (Currently Amended) The method of claim 1, wherein said final settlement price so determined, for a given said first level, is one of:
  - i. zero, if said second level is greater than or equal to a strike level; or

- ii. ~~substantially~~ proportional to the square of the excess of said second level over said strike level, if said second level is greater than said strike level;  
wherein said strike level is ~~substantially~~ said first level subject to a multiplicative and/or additive adjustment, if any.
7. (Currently Amended) The method of claim 1, wherein said final settlement price so determined, for a given said first level, is one of:
- i. ~~substantially~~ proportional to the square of the excess of said second level over a call strike level, if said second level is greater than said call strike level;
  - ii. ~~substantially~~ proportional to the excess of a put strike level over said second level, if said second level is less than said put strike level; or
  - iii. zero, if said second level is both less than said call strike level and greater than said put strike level;
- wherein said call strike level is ~~substantially~~ said first level subject to a multiplicative and/or additive adjustment, if any and said put strike level is ~~substantially~~ said first level subject to a multiplicative and/or additive adjustment, if any.
8. (Withdrawn) A method for facilitating trading, comprising:
- a. establishing a standardized form of contract for trading at a price on which a buyer and a seller agree, and having terms under which the buyer is granted an option and the seller grants an option; and
  - b. at least prior to a first reference time, facilitating trading of contracts based on said standardized form of contract through an exchange, a futures exchange, an options exchange, or a futures and options exchange;
  - c. upon each valid exercise of said option by a buyer, facilitating the settlement associated with such exercise;
- wherein said option is substantially either a call option, a put option, a straddle or a strangle over a quantity of a specified asset or other financial instrument, which the buyer may exercise during some specific time period(s), with strike price(s) (each) substantially the price of said specified asset or other financial instrument determined at or around said

first reference time subject to a specified constant proportional and/or absolute adjustment, if any; and

wherein said quantity is determined in accordance with the terms of the contract.

9. (Currently Amended) A method for facilitating trading, comprising:

- a. establishing a standardized form of contract for trading at a price on which a buyer and a seller agree, and having terms which provide that the buyer is granted an option and the seller grants an option; and
- b. at least prior to a first reference time, facilitating trading of contracts based on said standardized form of contract through an exchange, a futures exchange, an options exchange, or a futures and options exchange;
- c. upon each valid exercise of said option by a buyer, facilitating the settlement associated with such exercise;

wherein said option is ~~substantially~~ either a call option or a put option over a specified quantity of further contracts, which the buyer may exercise during some specific time period(s), and with a specified strike price;

wherein said further contracts have terms as defined in claim 1.

10. (Currently Amended) A method for facilitating trading, comprising:

- a. establishing a standardized form of contract for trading, having terms which provide that a buyer and a seller enter into a specified number of further contracts, for trading at an overall price agreed by the buyer and the seller; and
- b. at least prior to a first reference time, facilitating trading of contracts based on said standardized form of contract through an exchange, a futures exchange, an options exchange, or a futures and options exchange;
- c. facilitating the settlement into said further contracts;

wherein said further contracts have at least one term[[s]] as defined in claim 1.

11. (Currently Amended) A method of trading, comprising:

trading a contract based on standardized form of contract through an exchange, a futures exchange, an options exchange, or a futures and options exchange, by telephone, internet, a wide area network or otherwise;

wherein said standardized contract has at least one term[[s]] as defined in any of claims 1, 9 or 10.

12. (Currently Amended) A computer system for submitting trade order information relating to a standardized contract, said trade order information being entered by a trader, to an exchange, wherein said standardized contract has at least one term[[s]] as defined in any of claims 1, 9 or 10.
13. (Currently Amended) A computer system for transmitting trade order information reflecting the prevailing buying and selling interest of a standardized contract on an exchange, a futures exchange, an options exchange, or a futures and options exchange; wherein said standardized contract has at least one term[[s]] as defined in any of claims 1, 9 or 10.
14. (Currently Amended) A computer system for displaying trade order information reflecting the prevailing buying and selling interest of a standardized contract on an exchange, a futures exchange, an options exchange, or a futures and options exchange; wherein said standardized contract has at least one term[[s]] as defined in any of claims 1, 9 or 10.
15. (Currently Amended) A method for settling trades by clearing, through a clearinghouse, standardized contracts; wherein said standardized contracts have at least one term[[s]] as defined in any of claims 1, 9 or 10.
16. (Currently Amended) A computer readable medium embodying a set of computer-executable instructions, which, when executed by one or more processors cause the one

more processors to perform a method ~~computer program product containing a program~~  
for submitting trade order information relating to a standardized contract, said trade order  
information being entered by a trader, to an exchange, a futures exchange, an options  
exchange, or a futures and options exchange;  
wherein said standardized contract has at least one term[[s]] as defined in any of claims 1,  
9 or 10.